Secta. II-27—100,000—21-5-53.

(1948) Department.

Development

SERIES

No.

G.O. No.

1019

Dated

13th October 1948.

[Despatch Abstract.]

Housing - Co-operative house building Societies - State loans - Grant of - Government Policy - Press Note Issued - Papers Recorded.

D.O.No.81636/48-Z-II

Office of the Registrar of
Co-operative Societies, Madras
Dated 4th September 1948.

Dear Sir,

I enclose a cutting from the 'Hindu' and the 'Mail' dated 2-9-48 announcing that loans for co-operative housing societies will be confined to 'C' class houses only. When I discussed the question with the Housing Minister ~~for~~ (Firka Development) to-day, he said he was misreported in the 'Mail'.

I think it will be helpful if Hon'ble Minister for Housing issues a correction to the press contradicting the report of the 'Mail'. Otherwise it is likely to create misapprehension in the minds of members of many co-operative housing societies. I enclose for your reference the letter from the Secretary of the Madras Co-operative House Construction Society regarding the effect produced by the press report I fear that other housing societies may also be similarly perplexed.

Yours Sincerely,
J.C. Ryan.

W.R.S. Satthianadhan Esq., I.C.S.
Secretary to Government, Development Department,
Fort St. George, Madras.

The Hindu, Thursday, September 1948.

Co-Op. Housing Schemes.

Loans to be confined to 'C' type buildings.

Madras, Sept. 1.

A proposal, it is understood, is under the consideration of the Government to restrict the financing of the Co-operative Building Societies through loan funds to construction of small "C" type houses, costing less than Rs.10,000/-.

The Government appear to hold the view that for various reasons the construction of A and B class houses should be deferred for the present.

THE MAIL THURSDAY, SEPT. 2, 1948.

Housing Schemes.

A and B types will not be allowed.

Minister on Government Decision.

Salem, Aug.31: Dr. S. Gurupatham, Minister for Firka Development visited Salem today for the first time after assuming charge as Minister, was received by local Congressmen and officials.

In the morning, accompanied by the Collector, Rao Bahadur P.V. Subba Rao, the Minister visited the site proposed to be acquired for the Salem Firlands Housing Co-operative Society, at Alagapuram. Dr. B.A. Rajarathnam, President of the Society, represented that funds for constructing houses had been collected and was lying idle for 18 months now, and requested the Govt. to expedite proceedings to acquire the land.

The ryots of the area and Srimati Rukmini Kuppannah, Municipal Councillor, represented to the Minister that the site proposed consisted of fields on which paddy and food grains were being grown with well irrigation. They urged that the need for more food was imperative, and as such the proposed sites should not be acquired for the housing scheme.

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The Minister accepted that the points must be considered.

The Minister said that in the present financial position of the country, the Govt. of India would not certainly allow the construction of A and B class types of houses, and even if one wanted to build a house for say Rs.10,000/-, it would not be allowed. Even if he or the Premier wanted it, it would not be allowed. It was only yesterday that they had come to a decision on the point.

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(A-type of houses in Madras City estimated to cost Rs.28,000/- each. B type Rs.19,000 each and C-type Rs.12,000 each. These are the revised figures.)

The Government of India had definitely stated that they would not give any iron for house-building purposes. All the available iron would be given only for agriculturists for their implements. Mr. V. Vanchinatha Ayyar, President, Salem City Extension House Building Co-operative Society, pointed out that houses could still be built without iron, to which point the Minister made no reply.

Surprised.

Dr. B.A. Rajarathnam expressed surprise at such sudden change in Govt. policy, and wanted to know what was to become of the large amounts collected for the housing scheme. He wished to argue out the matter with the Minister, and convince him or be convinced. The Minister stated that this was not a matter, for argument or convincing others. The Govt. had come to a decision, and simply would not allow, as stated by him earlier.

The Minister added that there were financial implications in the matter so far as the Government were concerned and even if they had Rs. two lakhs on hand, the Govt. were going to prohibit such house-building.

The Minister then inspected the Salem City Extension House-building Co-operative Society.

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GOVERNMENT OF MADRAS
Development Department.

PRESS NOTE NO.223, Dated the 1st October, 1948.

The attention of the Government has been drawn to certain press reports which appeared in the local dailies recently where it was stated that the Government were considering the question of restricting the grant of state loans to Co-operative House Building Societies to the construction of less costly houses of the 'C' type. The Government desire to make it clear that they have not yet come to a final decision in the matter and that any decision reached on the question will not apply to schemes where construction work has already been started.

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Secretary to Government.

To the Registrar of Co-operative Societies with reference to his D.O.No.81636/48-Z-II, dated 4-9-1948.

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Development Deptt.

A copy of the Press Note may be communicated to the Registrar of Co-operative Societies also with reference to his letter on p.1 c.f. Subject to orders a draft Memo. is submitted for approval on p.34 c.f. After issue the papers may be recorded -

G.O.Ms.No.5019 Dev., dated 13-10-48.

Abstract

Housing - Co-operative House Building Societies - State loans - Grant of - Government policy - Press Note issued - Papers recorded.

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4-10-1948.

(True copies)

Superintendent,
Madras Record Office.

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